

## Public Information Summary

<b>Host Country(ies)</b>	Sierra Leone and Ghana
<b>Name(s) of Borrower(s)/Guaranteed Party(ies)</b>	Miro Forestry Development Limited, United Kingdom
<b>Project Description</b>	Founded in 2010, Miro is a vertically integrated sustainable forestry and wood products company with operations in Ghana and Sierra Leone. Miro has over 20,000 ha of established forest on formerly degraded lands, having planted over 20 million trees to date. From its commercial forests, Miro produces plywood, edge glue boards, and utility transmission poles for the West African and international markets.
<b>Proposed DFC Loan/Guaranty</b>	\$24,000,000 direct equity.
<b>All-Source Funding Total</b>	\$64,000,000 in commitments for capital improvements and operating costs.
<b>Policy Review</b>	
<b>Developmental Objectives</b>	The Project is expected to have a positive development impact in Ghana and Sierra Leone by supporting over two thousand local jobs, as well as increasing carbon sequestration through the expansion of sustainably managed tree cover. Ghana and Sierra Leone have been susceptible to terms-of-trade shocks and suffer from insufficient employment growth. The Project is expected to sustainably harvest and process forestry resources in these countries for sale locally and in foreign markets, generating new jobs while converting degraded land into sustainably harvested timber plantations.
<b>Environment and Social Assessment</b>	<p><i>Screening:</i> This Project has been reviewed against DFC’s categorical prohibitions and determined to be categorically eligible. Investments in the expansion of existing large scale plantation forest operations are screened as Category A. The primary environmental and social concerns related to the Project include the potential for impacts on worker health and safety, community health and safety, biodiversity, labor and working conditions, and land acquisition. The Project is subject to an assessment of climate resiliency.</p> <p><i>Applicable Standards:</i> DFC’s environmental and social due diligence indicates the Project will have impacts that must be managed in a manner consistent with the following 2012 International Finance Corporation’s (IFC) Performance Standards (PS):</p> <p>PS1: Assessment and Management of Environmental and Social Risks and Impacts;</p> <p>PS2: Labor and Working Conditions;</p>

PS3: Resource Efficiency and Pollution Prevention;

PS4: Community Health, Safety, and Security;

PS5: Land Acquisition and Involuntary Resettlement;

PS6: Biodiversity Conservation and Sustainable Management of Living Natural Resources; and

PS 8: Cultural Heritage.

The Project does not involve Indigenous People. Therefore, PS 7 is not triggered at this time.

In addition to the Performance Standards listed above, the IFC's Environmental, Health, and Safety (EHS) General Guidelines (2007), EHS Guidelines for Forest Harvesting Operations (2007), EHS Guidelines for Perennial Crop Production (2016), and EHS Guidelines for Sawmilling and Manufactured Wood Products (2007) are applicable to the Project.

*Environmental and Social Risks and Mitigation.* The Project has an Environmental and Social Management System (ESMS) consisting of group policies, environmental impact assessments, risk assessments, active E&S monitoring and reporting program, emergency preparedness and response plan, and compliance/corrective action register. The ESMS documents and implementation practices and procedures (i.e., environmental monitoring, OHS risk management practices) are executed across operational work areas and E&S principles aligned in key policy and procedures documents.

To address ongoing OHC risks (e.g., manual log handling, log yard safety, in-field sanitation at harvesting sites, heat stress inside indoor processing areas, driver road and vehicle safety, indoor air quality and lighting conditions), the Project will improve its ESMS by developing an OHS Improvement Plan including implementation involving increased spot checks and inspections. As condition subsequent to the DFC Agreement, the Project will also be required to develop and implement a plan to expand its use of mechanized harvesting to increase worker safety and reduce OHS risks related to manual harvesting.

Currently, the Project is not monitoring air emissions from its boilers and incinerators. The Project will be required to engage external expertise to confirm air quality of the emissions and status of compliance with national laws and relevant IFC EHS Guidelines. Annual air emissions monitoring for all point sources at all operations will be required as condition subsequent to the DFC Agreement. Where emissions do not comply with the national laws and/or IFC EHS

	<p>Guidelines, the Project will be required to implement remedial measures within an agreed timeframe.</p> <p>The Project is dependent on chemicals to control pests and pathogens that may harm transplanted seedlings. The Project will be required to demonstrate efforts to reduce glyphosate use by redesigning its integrated pest management system and formalize trials for alternatives including biological alternatives for glyphosate and imidacloprid. The Project's water monitoring program will also be updated to include groundwater monitoring in community areas given the risks associated with some high-water demanding plantation species (e.g., Eucalyptus).</p> <p>The Project has maintained FSC certification for the last five years and has been monitored through respective FSC audit cycles. The Project will be required to improve and formalize the assessment and monitoring of biodiversity in HCV areas and ensure that HCV data is applied during plantation planning. The Project will maintain up-to-date species lists for HCV areas in accordance with national and international protected status.</p> <p>The Project will be required to contract an independent resettlement specialist to prepare a PS 5 gap analysis and action plan to close any gaps, revise the Ghana Land Acquisition Procedure to ensure alignment with IFC PS 5 and national legislation, and revise the Land Acquisition Procedure for Sierra Leone to ensure that landowners are fairly compensated for lands utilized by fire breaks around the plantation developed land area.</p>
--	---